

# **MINUTES OF THE CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE**

**January 9, 1998**

The Capital Projects and Bond Oversight Committee met on Friday, January 9, 1998, at 10:15 a.m., in the House Chambers. Representative Robert Damron, Chair, called the meeting to order, and the secretary took the roll.

Present were:

Members: Representative Robert Damron, Chairman; Senators Tom Buford, Bob Leeper, and Denny Nunnolley; Representatives Drew Graham, Paul Marcotte, and Jim Wayne.

Guests: Bill Hintze, Governor's Office for Policy and Management; and Steve Schaffer, Finance and Administration Cabinet.

LRC Staff: Mary Lynn Collins and Shawn Bowen.

Press: Mark Chellgren, Associated Press.

Chairman Damron said this was a special meeting of the Committee to review a proposed allocation from the Capital Construction and Equipment Purchase Contingency Account to fund a scope increase for a Parks Revitalization Project - the Kentucky Dam Village State Park Lodge Renovation. He said he called this meeting because Finance Secretary, John McCarty, had indicated to him that there was a need to act on this project request now rather than wait for the Committee's regularly scheduled meeting on January 20. Chairman Damron said he had agreed to call the special meeting to give the Committee an opportunity to review it prior to final action by the Finance and Administration Cabinet.

necessary for the Department of Parks to bring this item before the Committee today in order to keep the project on schedule. He noted the Kentucky Dam Village Renovation Project is one of the largest Parks Revitalization Projects, and the state loses \$14,000 in revenue each day the lodge is closed. The current allocation from the contingency fund, coupled with the other contingency allocation, represents a total cost overrun of 9.9% for the project, and a revised project scope of \$5,757,400.

Senator Buford asked if additional money may be needed for this project in the future. Mr. Hintze responded that he could not rule out the possibility of coming back to the Committee and requesting additional money at a later date, but he hoped that would not be necessary.

In response to a question from Representative Marcotte, Mr. Eric Schaffer, with the Finance and Administration Cabinet, and project manager for the renovation project, said there were four bidders for the project. Mr. Hintze explained that the project had been bid twice, and in the initial one, bids came in 50% over budget and the project had to be rebid.

Senator Leeper made a motion to approve the \$356,400 contingency allocation for the Kentucky Dam Village lodge renovation project. The motion was seconded by Senator Buford and passed by voice vote.

Chairman Damron announced the next regularly scheduled Committee meeting is tentatively set for January 20 at 2:00 p.m.

With there being no further business to come before the Committee, Representative Wayne made a motion to adjourn the meeting. The motion was seconded, and approved by voice vote. The meeting adjourned at 10:25 a.m.